

2009 Small Business “SUCCESS” Symposium

**Congressman Bobby Scott
3rd Congressional District
August 10, 2009**

**Imani Intergenerational Center
1501 Decatur Street
Richmond, VA**



**Sponsored by: Congressman Bobby Scott
In cooperation with the U.S. Small Business Administration**

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Loan Guaranty Programs

Minority Business Development – 8(a) Program

Surety Bonding

Small Business Investment Company Program

Micro-Loan Program

Small Business Training Network

Federal Procurement Opportunities

Small Business Innovation Research Program

Small Business Technology Transfer Program

Counseling and Training

Disaster Assistance

U.S. Export Assistance Center

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BIOGRAPHY OF
THE HON. ROBERT C. "BOBBY" SCOTT
MEMBER OF CONGRESS
THIRD CONGRESSIONAL DISTRICT OF VIRGINIA

Congressman Robert C. "Bobby" Scott began serving his ninth term as a Member of Congress on January 6, 2009. Prior to serving in the U.S. House of Representatives, Rep. Scott served in the Virginia House of Delegates from 1978 to 1983 and in the Senate of Virginia from 1983 to 1993.

During his 15-year tenure in the Virginia General Assembly, Rep. Scott successfully sponsored laws that are critical to Virginians in healthcare, education, employment, economic development, crime prevention, social services and consumer protection. His legislative successes included laws that improved healthcare benefits for women, infants and children, increased the Virginia minimum wage and created the Governor's Employment and Training Council. He also sponsored the Neighborhood Assistance Act, which provides tax credits to businesses for donations made to approved social service and crime prevention programs.



In November 1992, Rep. Scott was elected to the U.S. House of Representatives. Through this election, Rep. Scott made history by becoming the first African American elected to Congress from the Commonwealth of Virginia since Reconstruction and only the second African American elected to Congress in Virginia's history. Having a maternal grandfather of Filipino ancestry also gives Rep. Scott the distinction of being the first American with Filipino heritage to serve as a voting member of Congress.

Rep. Scott currently serves on the Committee on the Judiciary, the Committee on Education and Labor and the Committee on the Budget.

In his 16 years in Congress, Rep. Scott has become known as a champion of the U.S. Constitution and the Bill of Rights, fighting to protect the rights and civil liberties of all Americans. He is also a leading opponent of efforts to permit employment discrimination based on race or religion in federally funded programs.

In Congress, Rep. Scott is leading efforts to pass comprehensive juvenile justice reform and crime prevention legislation by sponsoring the Youth PROMISE Act, which provides resources to state and local governments to prevent juvenile crime. He is also leading efforts to enact legislation designed to reduce high school dropout rates and increase access to a college education for all students with the Every Student Counts Act.

Rep. Scott was born on April 30, 1947 in Washington, D.C. and grew up in Newport News, Virginia. He is a graduate of Harvard University and Boston College Law School. After graduating from law school, he returned to Newport News and practiced law from 1973 to 1991. He received an honorable discharge for his service in the Massachusetts National Guard and the United States Army Reserve.

Rep. Scott is a member of St. Augustine's Episcopal Church in Newport News and is a member of many professional, community and civic boards and organizations.



Congressman Bobby Scott
“SUCCESS” 2009 Small Business Symposium

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| 8:00 – 8:30 | - Registration |
| 8:30 – 8:45 | - Welcome |
| | - Ron Bew, SBA Richmond District Director |
| | - Congressman Bobby Scott |
| 8:45 – 9:30 | The X Factors for Financial Success |
| | - Mary Grate-Pyos, MBA |
| | <i>Financially Focused, Inc.</i> |
| 9:30 – 9:40 | Break |
| | <u>Concurrent Workshops</u> |
| 9:40 – 10:40 | Strategic Business Planning |
| | - Artrianna Morris – New Visions New Ventures Woman’s Business Center |
| | 7 Essential Behaviors for Getting Things Done - The Building Blocks of Execution |
| | - Rippert Roberts, Jr. – Advanced Organizational Consulting, LLC |
| 10:40 – 10:50 | Break |
| 10:50 – 11:50 | Legal Issues Facing Small Business |
| | - James Wilson – Wilson Stoyanoff Law Firm |
| | How to Market Your Business and Stay in Business |
| | - Joyce M. Parker-Johnson, MBA – Abaca Business Plans, Inc. |
| 11:50 – 12:00 | Break |
| 12:00 – 1:00 | Small Business Certification Panel Discussion |
| | - Tammy Proffitt, SBA, Sam Hayes, DMBE and Dave Baldini, Richmond PTAC |
| | Moderator: Michael Peach – Government Systems, Inc. |
| | Funding Your Big Idea Panel Discussion |
| | - Scott Dailey, SBA, Curt Solomon, Business Finance Group, Tanner A. Collins, Jr., REDC Community Capital Group, Inc., Jim Salley, M&T Bank |
| | Moderator: Sally Feltner – Greater Richmond SBDC |

Guest Speaker – Mary Grate-Pyos



Mary Grate-Pyos is the President of Financially Focused, Inc., an organization dedicated to educating and empowering others to take control of their financial future. Through this organization, she provides individuals with a progressive plan to move from frustration to financial freedom and assists clients in attaining their financial goals and securing their future. Most recently, she launched My Pearl Power, an entity of Financially Focused, Inc., where she serves as the Chief Pearl-Prenuer. My Pearl Power is focused on encouraging possibility, positivity and prosperity in the lives of women. She is also featured as the Financial Expert on the syndicated radio show, “Serving Up Soul.”

Ms. Grate-Pyos is an accomplished Personal Finance Writer and former Columnist for the Capital Spotlight Newspaper in Washington, DC. She has been featured in the Wall Street Journal, Financial Woman International, Boomer Market Advisor, Visions Magazine, and Advisor Today Magazine.

Her writing has appeared in Financial Woman Today Magazine; Today's Christian Woman Magazine; Ebony Magazine; Milwaukee Times Newspaper; Coalition of Black Investor's Newsletter; and Christianity Today website.

In 2002, she published her first book, *Wealthy Woman-Wise Choices*, which has sold thousands of copies throughout the United States. She is a Motivational Teacher, who is in great demand throughout the U.S. and has presented seminars and workshops for numerous Federal Agencies and corporations, including New York Life Insurance, Mass Mutual Financial Group, Xerox Corporation, Wal-Mart Stores, Inc., Warm Spirit, Inc., Color Me Beautiful, Inc, Arbonne International, as well as women organizations, Churches, colleges and universities, and youth groups.

Ms. Grate-Pyos is active in her community and is an Advisory Board Member of the National Association of Women Business Owners – Greater DC Chapter; a Financial Counselor for Baraka Christian Counseling; and former Board Member of Dress for Success – Washington, DC Chapter. She is also a member of the National Association of Black MBAs; Financial Women International; and Women in Financial Services.

She earned an MBA from Syracuse University, Syracuse, New York; a Bachelor of Arts Degree in Mathematics from Newberry College, Newberry, South Carolina; and completed training in the Certified Leadership Development Program at George Washington University.

Ms. Grate-Pyos resides in Northern Virginia.

Workshop Synopsis – Strategic Business Planning

A business plan is a work-in-progress. It is a formal statement of things to consider before starting a business, it considers your business goals and the reasons why you believe the goals are attainable, it helps you to balance your enthusiasm with research and facts, and ultimately it lays out your plan for achieving your business goals.

The business planning process explores these essential questions and helps you to think through strategies. This workshop will help you “Develop a Business That Pays”. The discussion will cover: “Things to Consider Before Starting a Business”, “The Business Plan Outline”, “How to Create your Network of Business Friends” and “Investing in YOU”.



Artrianna Morris is the Director of Community Relations and Outreach for *New Visions, New Ventures (NVNV)*, a local Women’s Business Center in downtown Richmond. She is responsible for educating the community about the programs NVNV offers the public and for building partnerships with both the private and public sectors. In addition she conducts training sessions and counsels clients and assist staff with program development amongst other things.

Prior to NVNV, Artrianna spent 20 years in banking with Signet/Capital One Financial. Her titles included: Assistant Vice President, Director, Senior Management and Senior Operations Analyst. During her 20 year career she specialized in, Credit Card Management, Marketing, Customer Service, Business Development, and Financial Management. For most of her tenure with Capital One she was the highest ranking African American having had direct responsibility for up to 1200 of the 20,000

associates then employed.

In 2005, Artrianna formed her own Small Business “Equipped 4 Life MBSS (*mind body soul and spirit*)”. As President she helps her clients develop Spending Plans (Budgets) and serves as a coach to them until they have reached their goals. She teaches Debt Free Living Principles, Business Planning and a host of other business related classes. She targets, Youth, Young Adults and Senior Citizens because these are the populations most often targeted by predatory lenders.

Artrianna has a real passion for helping people from all walks of life and gets her greatest joy when others are able to realize their fullest potential.

Ms. Morris holds a BS in Business Administration and Management from Virginia Commonwealth University.

Workshop Synopsis – “The 7 Essential Behaviors for Getting Things Done - The Building Blocks of Execution”

*“Some people are simply **in** business and some people actually **do** business. The distinction comes down to execution.” –R. Roberts, Jr.*

Whether your company is an aspiring start-up or an established fortune 300 corporation the discipline of getting things done makes the difference in closing the gap between results promised and results delivered that people in business need today.

Organizations don’t usually execute unless the right people, individually and collectively focus on the right details at the right time.

In this dynamic presentation Rippert Roberts, Jr. will teach you the 7 essential behaviors that will empower you and your team to consistently practice the discipline of execution and demystify the 3 critical processes of every business.



Rippert “Ripp” Roberts learned the lessons of leadership, innovation, and rock-hard courage as a U.S. Marine. He was trained to succeed in the face of extraordinarily dynamic and complex challenges and trained others in the principles and traits of leadership that make the Marine Corps the world’s most motivated and successful organization. Now, after a long and celebrated career, Ripp is recognized as an Organizational Leadership and Development specialist and has focused his sights on helping the business community conquer their most difficult workplace challenges. Ripp “*The Info-tainer*”, utilizes his exciting blend of exceptional communication skills, and infectious energy to deliver fast-paced, hard hitting training that reflect proven management principles-and their applications to the business world. Managers and supervisors leave his presentations fired up to find solutions and to become agents for success. If you are ready to take on your organizations challenges -- with the

precision of a fighting force -- Ripp Roberts is the man to lead the charge!

Workshop Synopsis – Legal Issues Facing Small Business

This workshop will provide insightful information regarding the legal environment and how it affects your business. Topics will include the types of legal entities that are available, how to use those entities once they are set-up, and how the choice of entity may affect your financing options. Gain a firm understanding of the evolving laws that can impact your business and learn how to proactively reduce your legal exposure and improve your chances of financial success by detecting and correcting problems in the ways you do business.



Jim Wilson provides advice and counsel to business clients primarily in the areas of entity selection and formation, debt and equity capital formation, business sales/acquisitions, franchise purchase and franchise system development. Mr. Wilson has represented both franchisors and franchisees — as well as early stage start-ups and mature, established businesses. He has worked extensively with business clients devising multiple-entity corporate structures that provide asset protection and vehicles for private equity investment.

Mr. Wilson frequently works with small and medium-sized businesses to evaluate opportunities, design creative plans for growth and expansion, and identify ways to finance those plans. In 1998, he assisted a client in carrying out one of the first successful Direct Public Offerings in Virginia.

Workshop Synopsis – **How to Market your Business and Stay in Business**

Getting your business started is easy in comparison to the day-to-day tasks needed to keep the doors open, year-after-year. Learn how to brand your business so that you create a consistent impression on your customers. Knowledge will also be provided on the steps you need to take to successfully remain in business. You will also learn strategies to grow your business to the next level. You must plan your success in order to succeed, this seminar teaches you how.



Joyce Parker-Johnson is the President of Abaca Business Plans, Inc. located at 501 E. Franklin Street, Suite 725 in Richmond, Virginia. Joyce produces business plans, loan packages, and marketing plans. She specializes in starting small businesses and in turning-around companies that are not performing to capacity. Joyce also conducts marketing and business consulting, business and executive coaching, and business training. In addition, she is a highly sought after motivational speaker and a spiritual life coach.

Joyce works with small business entrepreneurs on a daily basis as she guides them to become successful entrepreneurs. She believes that every small business entrepreneur needs a business plan, and without one it is difficult to succeed. She also teaches her client that the business planning process is never completed, because once the business plan has been produced, it is time to work the marketing strategies within the business plan. These strategies should be worked on a daily basis. The process continues, and before you know it, it is time to create a plan for the upcoming year, and the process repeats itself.

Ms. Parker-Johnson is a seasoned marketing professional and has had numerous accomplishments in her career. She created the Marketing Department at MCV Hospitals (now VCU Health Services) and created their first advertising campaign, marketing research initiatives, and guest relations program. While there, Joyce repositioned MCV Hospitals as a leading academic medical center.

After four years of declining attendance, the Science Museum of Virginia hired Joyce to bring about change within the organization. In less than one year, she turned around the Museum, and created programs that eventually resulted in the organization achieving the highest levels of paid attendance and paid revenues in the history of the Museum.

Joyce has a Master's Degree in Business Administration and a Bachelor of Science Degree in Marketing. She is a Leadership Metro Richmond Alumnus and has served on numerous boards in the Greater Richmond, Virginia community and in the City of Chicago.

Workshop Synopsis – **Small Business Certification – Panel Discussion**

Moderator: Michael Pearch - *Government Systems, Inc.*

Minority and women-owned businesses do not have to face their unique challenges alone. Federal, state and local government agencies offer programs and services to assist them. Minority and female entrepreneurs may increase the odds of successfully operating their businesses by finding out about these special incentives and programs and participating in them. Three of the programs and resources are here to discuss how you can access their programs and services and to provide leadership in encouraging, promoting and coordinating public and private sector initiatives designed to improve the performance and economic conditions of minority owned businesses.

Tammy Jackson Proffitt currently serves as the Assistant District Director for Business Development in the SBA's Richmond District Office. She has oversight and responsibility for an 8(a) portfolio of approximately 315 firms with a contract volume of approximately \$500,000,000.00 annually. Ms. Proffitt also serves as the HUBZone liaison for the state of Virginia.

Ms. Proffitt graduated from Elon University with a major in Public Administration and Political Science. Originally hired as a Loan Specialist by the Disaster Office in Atlanta; she has been with SBA for twenty-four years.

Samuel Hayes III has over 20 years of government management experience. He is currently the Director of the Department of Minority Enterprise (DMBE), a State Agency that has responsibility for certifying Small, Women and Minority Owned Businesses and assisting these businesses in obtaining contracts with the Commonwealth while overseeing the Supplier Diversity efforts of the Commonwealth; current discretionary expenditures are \$5.4 billion. Prior to coming to DMBE; he was director of procurement and general services at the Virginia Department of Health where he had oversight of procurements of \$175 million.

Mr. Hayes has a bachelor's degree in Civil Engineering and is currently working toward a masters degree in public administration at Virginia Tech. He is also a licensed professional engineer in the Commonwealth of Virginia.

David Baldini has over thirty years experience in industry. He has a broad background in Business Development, Strategic Alliances for Product Innovations, and Operations Management. More recently, Mr. Baldini was for five years the President and CEO for Aerosonic Corporation, an Aerospace and Defense contractor. Currently, he is a Counselor with the George Mason University Central Virginia Procurement Technical Assistance Center.

Workshop Synopsis – **Funding Your Big Idea**

Moderator: Sally Feltner – *Greater Richmond Small Business Development Center*

In this workshop, learn the ins and outs of applying for U.S. Small Business Administration (SBA) loans and other sources of financing available to small business owners. Topics will include: choosing the loan that's best for you, preparing strong financial projections, maximizing your personal financial statement, understanding personal guarantees and personal credit. A strong application and knowledgeable approach will help you gain the financing you need to pursue your dream.

Scott Dailey has been with SBA for over 30 years, starting in the financing division in Atlanta and Jacksonville before coming to Richmond in 1978 as the Assistant District Director. In this position, he supervised the financing, servicing and liquidation activities for the Richmond District until reorganization centralized some of those functions. Scott now directs the lender relations division, coordinating delivery of SBA finance programs through participating lenders. Scott has degrees in Marketing and in Accounting from University of North Florida and Florida Atlantic University.

Curt V. Solomon, Vice President, is a Business Development Officer for Business Finance Group, Inc. He is responsible for the marketing and underwriting of SBA 504 loans in Virginia. Prior to his position with Business Finance Group, Inc., Curt was Vice President and Regional Manager for the Empire State Certified Development Corporation in Albany, New York. He was responsible for a 17 county region of Upstate New York. Curt is a graduate of Skidmore College in Saratoga Springs, New York and is pursuing his Masters in Business Administration (MBA) from Union Graduate College in Schenectady, NY. Curt was a 2008 recipient of the *Business Review*'s 40 under 40 award recognizing outstanding members of the business community under the age of 40. He has attended many lending seminars/schools throughout his career completing the Central Atlantic School of Commercial Lending at Bucknell University (with honors). Curt was active in many community activities including a past board member of the Empire Chapter of RMA and member of the SBA advisory counsel for the Buffalo District Office.

Tanner A. Collins, Jr. joined REDC Community Capital Group, Inc. four years ago and headed up their Community Development lending activities, including the micro loan program. He was recently promoted to serve as a Senior Vice President and Regional Executive Officer (REO) of the Gateway region, including the cities of Colonial Heights, Hopewell, Petersburg, and counties of southern Chesterfield, Dinwiddie, Prince George, and Sussex. In this role, Tanner is responsible for developing this new territory and making credit and capital available to small businesses that are unable to obtain or qualify for traditional bank financing, including our micro loan and 504 loan programs.

Jim Salley, Vice President, Business Banking, **M&T Bank**. With over 25 years of banking experience, Jim Salley brings to M&T Bank a dedication to developing trust and confidence among his client base. His business finance expertise and devotion to building relationships positions him as a trusted advisor among his clients and colleagues. As a Richmond resident, and having served as an Ethics Board member for the Richmond Executive Alliance, Jim has a thorough understanding of the business climate in our region. He takes pride in offering the breadth of product choices and customization found at many larger banks, combined with the high level of customer service that you might expect from the best community banks.



Statement from SBA Acting Administrator on Recovery Efforts Announced by President Obama

SBA is implementing two key provisions laid out in the Recovery Act. We are temporarily eliminating certain loan fees and raising guarantees on some 7(a) loans up to 90 percent. With these critical steps by SBA, and the Treasury Department's commitment of up to \$15 billion aimed at getting lending markets flowing again, we are standing up with small business owners across this country and telling them how we are going to put much-needed capital in their hands.

- Beginning on March 16, 2009, **the SBA will temporarily raise guarantees to up to 90 percent** on SBA's 7(a) loan program, through the end of calendar year 2009 or until the funds are exhausted. 7(a) loans submitted via standard 7(a), CLP, PLP, Small/Rural Lender Advantage, Community Express, Patriot Express and Export Express are eligible for up to a 90% guaranty. This increase in guarantee levels will help provide banks with greater confidence they need to extend credit during the current recession, will mean more capital available to small business owners around the country.
- **Temporarily eliminate fees** for borrowers on SBA 7(a) loans and for both borrowers and lenders on 504 Certified Development Company loans, through calendar year 2009, or until the funds are exhausted; except loans with maturities of 12 months or less will still pay the SBA ¼ point guaranty fee. This will mean more capital is available to small businesses at a lower cost. The fee elimination is retroactive to February 17, the day the Recovery Act was signed. SBA is developing a mechanism for refunding fees paid on loans since then.
- **The SBA Microloan Program** is one element of the recovery act that is already in place with extra funding for SBA-backed micro-lenders across the country. The bill provides enough for \$50 million in new SBA microloans, which are delivered by non-profit community-based intermediary lenders across the country. These loans can be for up to \$35,000 and come with technical assistance and training for every borrower. Because this program is already in place, you can go to a micro-lender today and apply for a loan.

U.S. Small Business Administration
Richmond District Office
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2009 RECOVERY ACT



ARC Loan Program

- The American Recovery and Reinvestment Act is an unprecedented effort to jumpstart our economy, create or save millions of jobs, and ensure our nation can meet the challenges of the 21st century.
- As part of the Recovery Act, SBA will implement the America's Recovery Capital (ARC) loan program to give viable small businesses suffering immediate financial hardship temporary financial relief so they can keep their doors open and get their cash flow back on track.
- The ARC program will provide a deferred-payment, no-interest loan of up to \$35,000 for short-term help to make their principal and interest payments on existing, qualifying debt.
- A viable small business is one that has a history of good performance that is beginning to struggle with making loan payments, but can reasonably project that it can get back on track with the infusion of ARC loan funds and the benefit of deferred payments.
- Qualifying loans/debts eligible for assistance with ARC loans include the following:
 - Secured & unsecured conventional loans (mortgages, term and revolving lines of credit);
 - Capital leases
 - Notes payable to vendors/suppliers/utilities
 - Development Company Loan Program (504) first mortgage loans
 - Credit card obligations
 - Loans made with an SBA guaranty after February 17, 2009
- ARC loans will be made by commercial lenders and carry a 100 percent SBA repayment guarantee. The loans will have no SBA fees. Existing SBA lenders are eligible to make ARC loans.
- Approved ARC loans will disburse funds to be used for payments of principal and interest for up to six months for existing, qualifying small business loans.
- The loans will be disbursed over the course of six months, followed by 12 months during which no repayment is required. After a 12-month deferral period, the borrower will pay back only the ARC loan principal over a period of up to five years. No repayment of interest is required.

Beginning on June 15, 2009 SBA will start guaranteeing ARC Loans

FOR ASSISTANCE

If you would like to speak directly to a customer service representative about the ARC Loan Program, please call our toll-free number (866-947-8081) Monday through Friday during the hours of 8am to 9pm (Eastern Time).

or

LINK to register for ARC assistance: <https://eweb1.sba.gov/public/arc/>



ARC Loan Eligibility

ARC loans are available to viable, for-profit small businesses in the U.S. that have qualifying small business loans and are experiencing immediate financial hardship.

Your small business must be an established business, have financial statements demonstrating it was profitable in one of the past three years, and be able to project sufficient cash flow to meet current and future loan payments over a two-year period from loan approval. If your business does not meet these criteria, you can discuss your eligibility with your lender. **ARC loans are not designed for start-up businesses.**

Examples of qualifying loans may include credit card obligations for your business, capital leases, notes payable to vendors/suppliers, Development Company Loan Program (504) first lien loans, other loans to small businesses made without an SBA guaranty, and loans made by or with an SBA guaranty on or after Feb. 17, 2009.

ARC loans are designed to help businesses experiencing immediate financial hardship for reasons such as:

- Loss/reduction of customer base
- Increase in cost of doing business
- Loss/reduction of working capital and/or loss/reduction of short term credit facilities
- Inability to restructure existing debts due to credit restrictions
- Loss/reduction of employees (intellectual capital)
- Loss/reduction of major suppliers (major suppliers out of business)

Borrowers whose loans are already severely delinquent or whose past performance or future cash flow indicates that the business is not viable are not good candidates for an ARC loan..

Applying for an ARC Loan

- ARC Loans are provided by commercial lenders and guaranteed by the SBA
- Your next step is to contact your lender who will help you determine if you are a candidate for an ARC Loan.

Questions they may ask include the following:

- Does your small business have an established banking relationship?
- Has your small business been in operation for a **minimum of two years**?
- Do you have financial statements (balance sheet, income statement, and cash flow statement) which demonstrate your business had a positive cash flow in one of the past three years (or as long as your business has been operating, if less than three years)?
- Does your cash flow projection for the next two years indicate sufficient cash flow to meet your current and future loan payments?
- Regarding your debts, is your business no more than 60 days past due on any loan (you can be current on all your debt obligations and still qualify for an ARC Loan)?
- Is your business suffering an immediate financial hardship? For example:
 - Declining sales and revenues;
 - Difficulty in making loan payments on existing debt;
 - Difficulty in paying employees;
 - Difficulty in purchasing materials, supplies, or inventory; and/or
 - Difficulty in paying rent and/or other operating expenses.

FINANCE PROGRAMS	7(a) LOAN PROGRAM and LENDER ADVANTAGE	PATRIOT EXPRESS	SBAExpress and EXPORT EXPRESS	CERTIFIED DEVELOPMENT COMPANY LOANS (504)
WHO CAN APPLY	For profit businesses that qualify as small under SBA size standards (see 504 column) and cannot borrow on reasonable terms from conventional lenders without SBA help. Small/Rural Lender Advantage Initiative Simplified program open only to lenders with an average of less than 20 loans a year for the past three years.	Veterans, Active Duty Service Members eligible to retire, Reservists and National Guard members and the spouses of any of the above, plus widowed spouses of any service member who died while in service or of a service connected disability.	Same as regular 7(a) Business Loans	Same as 7(a) Loans. The size standard for both is currently a maximum net worth of \$8.5 million and maximum average net income after Federal income taxes over the preceding two completed fiscal years of \$3.0 million.
PURPOSE	Fixed assets, working capital or to finance start-ups or the purchase of an existing business; some debt payment allowed, but lender's loan exposure may not be reduced with the Express products. Lines of Credit are offered with the Express programs. Limited lines of credit available under 7(a) CAPLines .			Fixed assets only - no working capital or debt refinancing. SBA takes a lien position behind that of the private sector lender.
SBA GUARANTY	90% , EXCEPT on loans in excess of \$1,666,666. Since SBA's exposure is capped at \$1,500,000 the guaranty will gradually decline to 75% at the \$2,000,000.		50% of loan or 90% for loans made for exporting.	SBA guarantees 100% of the debenture amount which generally ranges from 30-40% of the project.
MAXIMUM LOAN AMOUNT	\$2,000,000 Lender Advantage \$350,000	\$500,000	\$350,000 or \$250,000 for Export Express	The maximum amount of CDC/504 participation in a single project is \$1.5 Million (\$2 Million for projects that meet certain Public Policy Goals and \$4 million for manufacturers), minimum is \$50,000. There is no limit on the project size.
MATURITY	5 to 7 years for working capital, up to 25 years for equipment & real estate. All other loan purposes would have a maximum term of 10 years.		Same as Regular 7(a) except that lines of credit must be repaid within 7 years.	10 years for equipment 20 years for real estate.
MAXIMUM INTEREST RATES	Base rate plus 2-1/4% for maturities less than 7 years. Base rate plus 2-3/4% for maturities of 7 years or longer. Loans of less than \$50,000 may add an additional 1% and loans under \$25,000 may add an additional 2%.		Bank base rate plus 6.5% for loans of \$50,000 or less, Bank base rate plus 4.5% for larger loans	Based on current market rate for 5 and 10 year Treasury Bonds.
GUARANTY FEES	No SBA upfront fees are charged on long term loans as long as special funding from the 2009 Recovery Act remains available. This is expected to last until December 31, 2009. A fee of ¼% of the guaranteed portion of the loan is charged for loans with maturities of 12 months or less.			Up front fees of about .65% of the net debenture proceeds plus annual servicing and guaranty fees of generally less than 1% based on unpaid debenture balance. The first mortgage lender's loan may have additional fees associated with it.
SPECIAL FEATURES AND/OR REQUIREMENTS	SBA generally requires that the owner(s) inject 1/4 to 1/3 of the total assets needed to start a new business. Use SBA Form 4 and 4I for 7(a) and 2301 series for Lender Advantage	No borrower SBA application required. Loan credit authority delegated to the lender, but lenders must be pre-approved by SBA. Lender uses SBA 1920SX series of forms and borrower uses 1919 Borrower Information form .		Must intend to create or retain one job for every \$65,000 of the debenture <u>or</u> meet one of 14 Community or Public Policy Goals. A minimum down payment of 10% is required.

	AMERICA'S RECOVERY CAPITAL (ARC) LOAN PROGRAM
WHO CAN APPLY	<p>ARC loans are available to viable, for-profit small businesses in the U.S. that have qualifying small business loans and are experiencing immediate financial hardship.</p> <p>The small business must be an established business, have financial statements demonstrating it was profitable in one of the past two years, and be able to project sufficient cash flow to meet current and future loan payments over a two-year period from loan approval. ARC loans are not designed for start-up businesses. The best candidates for ARC loans are small businesses that in the past were profitable but are currently struggling, yet have been making loan payments or are just beginning to miss loan payments due to financial hardship.</p> <p>NOTE: Borrowers whose loans are already severely delinquent or whose past performance or future cash flow indicates that the business is not viable are not good candidates for an ARC loan.</p>
PURPOSE	<p>ARC Loan funds are to be used for payments of principal and interest for up to six months on existing, qualifying small business loans. Small business loans/debts qualifying and eligible for assistance with ARC loans include the following:</p> <ul style="list-style-type: none"> • Secured & unsecured conventional loans (mortgages, term and revolving lines of credit); • Capital leases • Notes payable to vendors/suppliers/utilities • Development Company Loan Program (504) first mortgage loans • Credit card obligations owed by the businesses • Loans made with an SBA guaranty after Feb. 17, 2009
SBA GUARANTY	100%
MAXIMUM LOAN AMOUNT	\$35,000
MATURITY	Borrowers have up to six months to use loan proceeds. Loans will then be deferred for 12 months from the date of the last disbursement. The ARC loan borrower then has 5 years to repay the loan.
INTEREST RATE	ARC borrowers will pay no interest. The SBA will pay interest to the bank on a monthly basis throughout the term of the loan.
GUARANTY FEES	There are no SBA fees associated with ARC loans.
SPECIAL FEATURES AND/OR REQUIREMENTS	<p>ARC loans will be offered by SBA lenders for as long as funding is available or until September 30, 2010, whichever comes first.</p> <p>ARC loan funds cannot be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.</p>

Richmond District Office Contact

	Telephone	Individual Fax	e-mail addresses
Andy Keller	(804) 771-2400 ext 128	(202) 481-4093	leroy.keller@sba.gov
Bob McLoone	(804) 771-2400 ext 142	(202) 481-5257	Robert.mcloone@sba.gov
Leroy Harris	(540) 295-3759	(202) 481-4092	leroy.harris@sba.gov
James Williams	(804) 771-2400 ext 123	(202) 481-2326	james.williams@sba.gov

SBA MICRO LOAN

The Microloan Program provides very small loans to start-up, newly established, or growing small business concerns. Under this program, SBA makes funds available to nonprofit community based lenders (intermediaries) which, in turn, make loans to eligible borrowers in amounts up to a maximum of \$35,000. The average loan size is about \$13,000. Applications are submitted to the local intermediary and all credit decisions are made on the local level.

Terms, Interest Rates, and Fees:

The maximum term allowed for a microloan is six years. However, loan terms vary according to the size of the loan, the planned use of funds, the requirements of the intermediary lender, and the needs of the small business borrower. The maximum loan amount is \$35,000, however, the average loan amount is around \$13,000. Interest rates vary, depending upon the intermediary lender and costs to the intermediary from the U.S. Treasury. Generally these rates will be between 8 eight percent and thirteen percent.

Collateral

Each intermediary lender has its own lending and credit requirements. However, business owners contemplating application for a microloan should be aware that intermediaries will generally require some type of collateral, and the personal guarantee of the business owner.

Technical Assistance

Each intermediary is required to provide business based training and technical assistance to its micro borrowers. Individuals and small businesses applying for microloan financing may be required to fulfill training and/or planning requirements before a loan application is considered.

How to Apply:

Small businesses that are interested in applying for a microloan should contact The Center for Community Development at one of their convenient locations:

Richmond Economic Development Corporation

411 E. Franklin Street, Suite 203

Richmond, VA 23219

(804) 780-3012

2nd Look Capital

2317 Westwood Avenue, Suite 204

Richmond, VA 23230

(804) 340-1988

Training and Counseling Resources

Richmond SCORE #12
Federal Building, Suite 1150
Richmond, VA 23219
(804) 771-2400 ext. 131
information@richmondscore.org

GREATER RICHMOND SBDC	600 East Main Street Suite 700 Richmond, VA 23219	(804) 783-9314
CRATER SBDC of the Longwood University SBDC	P.O. Box 1808 1964 Wakefield Street Petersburg, VA 23805-0808	(804) 518-2003

Procurement & Technical Assistance Center (PTAC)

CVPTAC Central Virginia and Richmond
Virginia Workforce Center
2211 Hydraulic Road, Suite 103
Charlottesville, VA 22901
(434) 293-2136

Bizworks
2545 Bellwood Road
Richmond, VA 23237
(804) 356-3910

Procurement & Technical Assistance Center (PTAC)

Crater Planning District Commission PTAC
1964 Wakefield Street
Petersburg, VA 23805
(804) 861-1666

Certified Development Company Loans – 504 Loan Program

Business Finance Group, Inc.
3930 Pender Drive, Suite 300
Fairfax, VA 22030
(540) 846-7355

Virginia Department of Business Assistance – One Stop
http://www.virginia.gov/cmsportal3/business_4096/index.html

If you are thinking of starting a business in Virginia and need more information, the links below list numerous topics that you may want to consider before starting your business.

<http://virginiabos.sparkstudiosaas.com/onestop/VirtualLobby.jsp>

Starting a business? Try Virginia's new Business One Stop system and receive customized business formation information.

http://www.virginia.gov/cmsportal3/business_4096/starting_a_business_4100/start-up_basics.html

There are many things to consider before starting your business.

http://www.virginia.gov/cmsportal3/business_4096/starting_a_business_4100/establishing_or_registering_your_business.html

Complete the process to properly establish your business with local, state and federal authorities.

<http://www.vdba.virginia.gov/>

Learn about various legal requirements by agency and by business type/activity.

http://www.virginia.gov/cmsportal3/business_4096/starting_a_business_4100/taxes.html

A quick overview of tax requirements based on your business type and activity, certain taxes must be paid.

http://www.virginia.gov/cmsportal3/business_4096/starting_a_business_4100/bulletin_board_poster_requirements.html

For State Posters and Federal Posters.

http://www.virginia.gov/cmsportal3/business_4096/business_resources_4100/index.html

Business Resource links.

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IT'S A JOURNEY, NOT A DESTINATION